



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



FEBRUARY 12, 2002

USDA Releases Grain Transportation Outlook

The U.S. Department of Agriculture (USDA) today reported its assessment of the grain transportation situation in the United States and prospects for the next few months. USDA provides this information to help railroads, producers, shippers, and receivers prepare for changes that occur in agricultural transportation throughout the year.

January total supply for U.S. grain and soybean production is projected at 18.7 billion bushels. The estimated production is approximately 15.2 billion bushels, down 4 percent from the 2000/01 marketing year. Total use is 16 billion bushels, projected down slightly from last year and exports up by 7 million bushels. Ending stocks from the 2001/02 marketing year are projected at 2.70 billion bushels, down 2.35 percent from a year earlier.

Ocean freight rates ended 2001 with lower than average ocean transportation costs. For the fourth quarter 2001, the average ocean freight rate is \$17.06 per metric ton for the Gulf to Japan route, this represents a drop of 28 percent from 2000.

For the fourth quarter of 2001, weekly barge shipments of grain averaged 1.0 million tons, a 4-percent decrease compared to the 5-year average. Total grain barge traffic for 2001 was 48.2 million tons, which was almost the 5-year average of 47.9 million tons. This is notable since the normal 9-month Upper Mississippi River (UMR) navigation season was considerably shortened by high water levels in March and April and completely stopped by flood restrictions in late April through May.

Although recent demand for transportation of grain by rail has been strong and relatively few rail cars are in storage, U.S. Class I railroads expect rail capacity for agricultural products to be adequate during February and March. During the fourth quarter of 2001, the number of grain cars originated on U.S. Class I railroads increased 7.9 percent compared to the same period in 2000.

Late winter and early spring prospects for grain motor carriers should benefit from a reduction in transportation costs associated with lower fuel prices at the pump. In addition, a proposal designed to change the amount of hours a truck driver can work on the road will not apply to agricultural truckers under new legislation. These conditions contrast sharply to last year, when grain motor carriers encountered instability in fuel prices at the pump and proposed changes in the regulatory regime. These changes should assist both grain producers and their motor carrier service providers from winter into early spring.

This information, included in the report, *Grain Transportation Prospects*, is available on the Internet at www.ams.usda.gov/tmd/mta/index.htm. For more information, contact Karla Martin, USDA-AMS-TMP-MTA, Room 1209-S, 1400 Independence Avenue, SW, Washington, DC 20250, tel. 202-690-1303, fax 202-690-3616, or e-mail Karla.Martin@usda.gov. The next issue of *Grain Transportation Prospects* will be published in June.

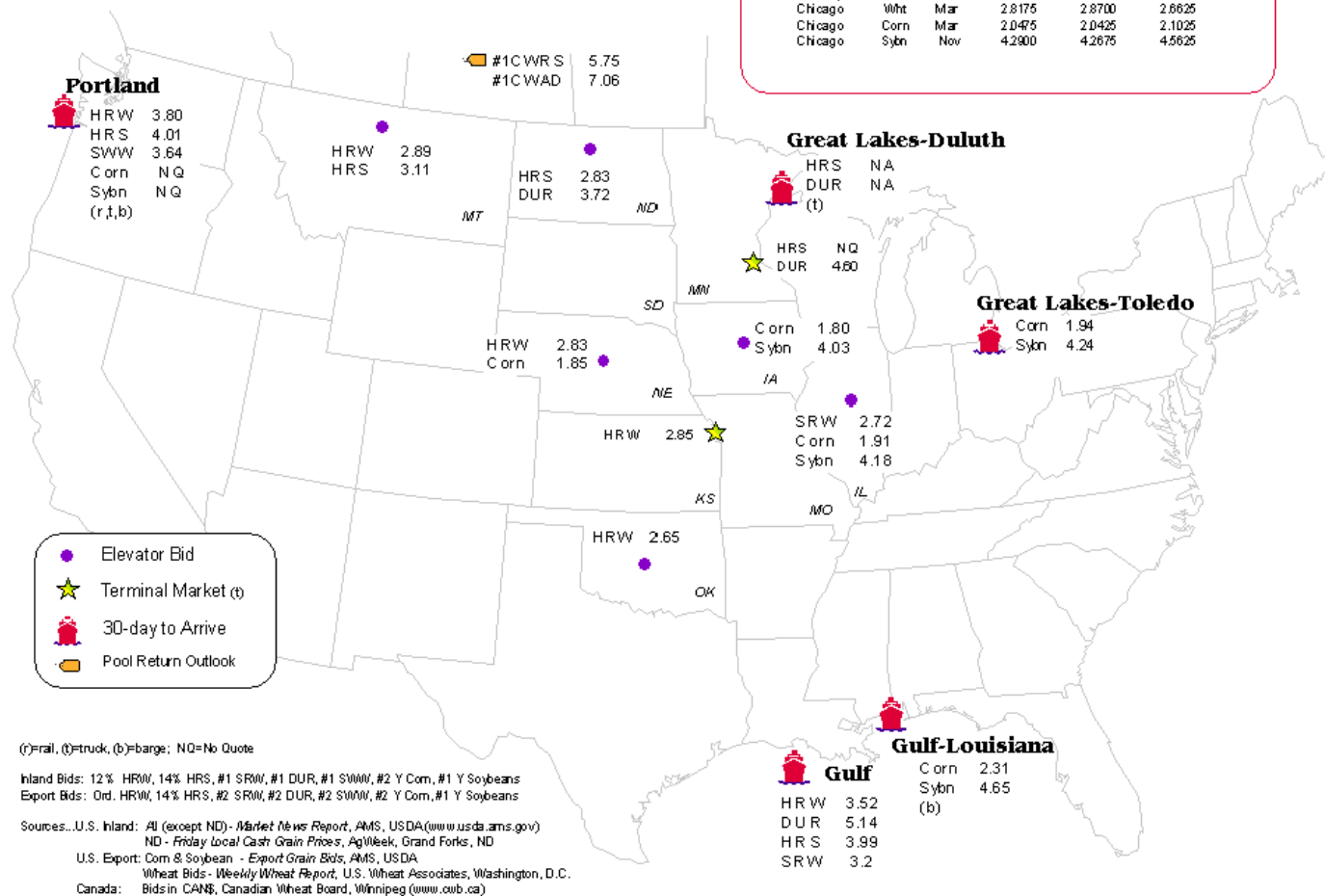
Grain Transportation Report Delivered by E-Mail

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Report is prepared by Karl Hacker and Sigal Nissan, Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments to Karl.Hacker@usda.gov.

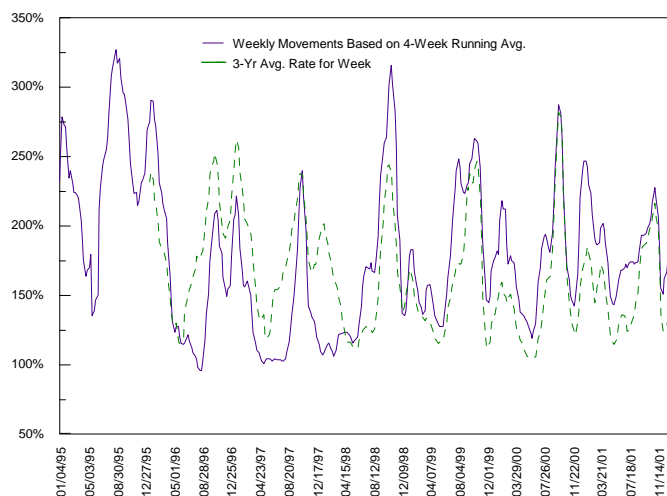
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Grain Bid Summary

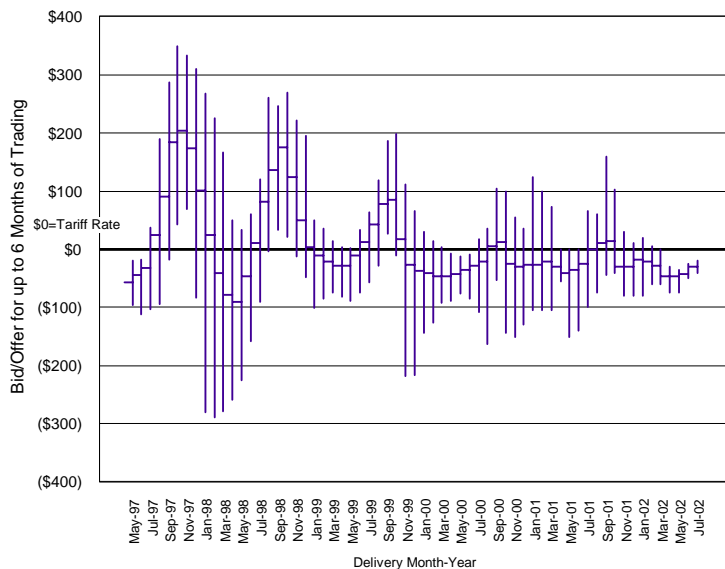


Spot Barge Rate - Illinois River

Index - Percent of Tariff Rate



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	Mar-02		Apr-02	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,234	15%	12,966	7%
UP-GCAS	5,400	10%	5,400	0%

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Feb-02	Mar-02	Apr-02	May-02
BNSF-GF	\$(10)	\$(15)	\$(40)	\$(40)
UP-Pool	\$5	\$(39)	\$(62)	\$(62)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;
GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Mar-02	Apr-02	May-02
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	\$0	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid
GCAS/Region 4	no bid	no bid	no bid

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com,
(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

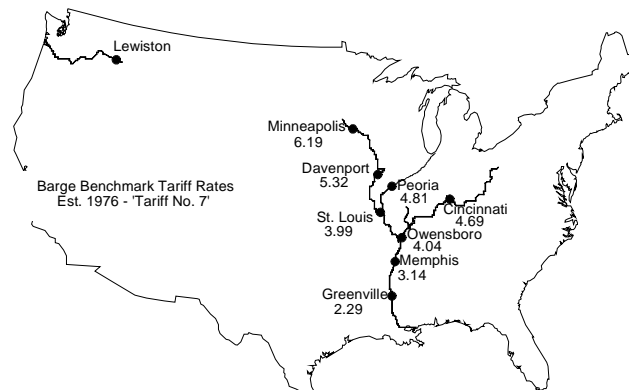
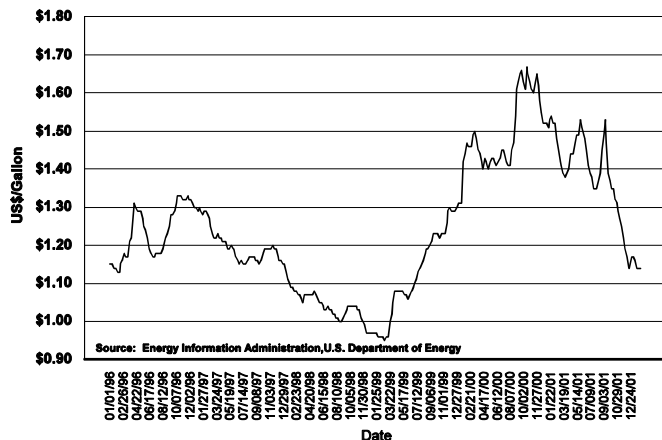
Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
02/08/02	St. Louis	Feb	0	128
		Apr	139	135
		Jun	0	135
		Aug	0	155
		Oct	0	208
	Illinois River	Feb	0	148
		Apr	0	155
		Jun	0	155
		Aug	0	178
		Oct	0	230

Source: St. Louis Merchants Exchange

Southbound Barge Freight Spot Rates

	2/6/02	1/30/02	Mar '02	May '02
Twin Cities	0	0	0	190
Mid-Mississippi	0	0	172	164
Illinois River	146	153	161	153
St. Louis	123	128	129	128
Lower Ohio	124	132	133	133
Cairo-Memphis	116	122	122	123

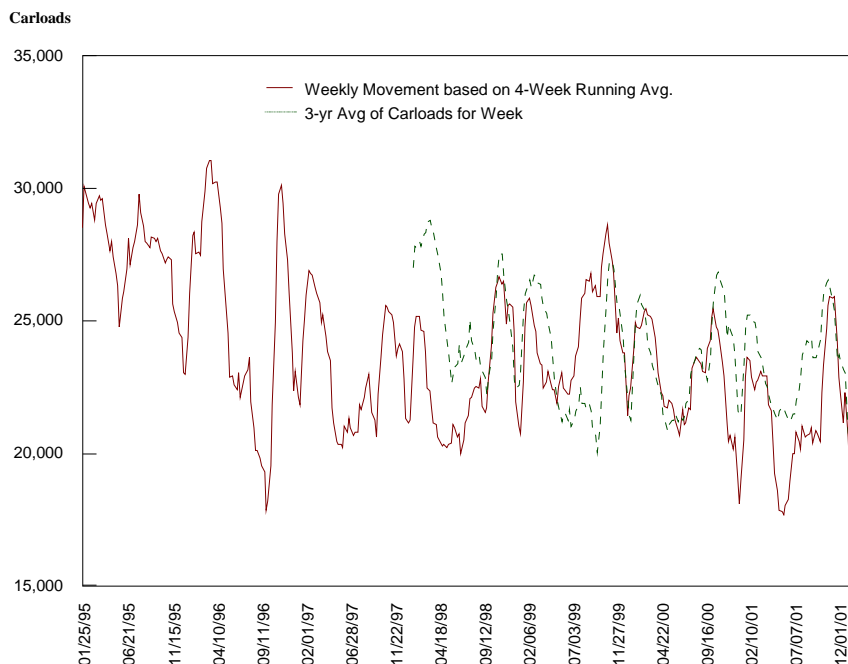
Source: Transportation & Marketing /AMS/USDA
nq=no quote;

Weekly Retail Diesel (Road) Prices (Including Taxes)

Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
1/19/02	24,184
01/26/02	23,811
02/02/02	21,049
Year to Date - 2002	111,250
Year to Date - 2001	113,154
Total 2001	1,117,601
Total 2000	1,188,917

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

Train Carloads Originated									
			East		West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
02/02/02	0	3,190	0	2,967	7,905	678	6,309	3,540	3,517
This Week Last Year	0	3,650	0	3,049	8,842	499	5,741	5,164	5,098
2002 YTD	0	16,085	0	15,513	42,490	3,609	33,553	20,295	19,042
2001 YTD	0	17,155	0	16,081	44,682	2,487	32,749	23,757	25,105
2001 Total	0	151,864	0	163,018	428,603	26,330	347,156	254,982	232,461
2000 Total	0	147,708	70,155	153,905	425,849	26,515	364,785	160,749	239,670

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

January 2002

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
02/04/02	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
02/04/02	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
02/04/02	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
02/04/02	43586	Wheat	Kansas City, MO	Portland, OR	\$4,347	\$47.92	\$1.30
02/04/02	43581	Wheat	Omaha, NE	Portland, OR	\$4,005	\$44.15	\$1.20
02/04/02	31040	Corn	Minneapolis, MN	Portland, OR	NA	\$0.00	\$0.00
02/04/02	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
02/04/02	31040	Corn	Omaha, NE	Portland, OR	NA	\$0.00	\$0.00
02/04/02	61180	Soybean	Minneapolis, MN	Portland, OR	NA	\$0.00	\$0.00
02/04/02	61180	Soybean	Omaha, NE	Portland, OR	NA	\$0.00	\$0.00
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

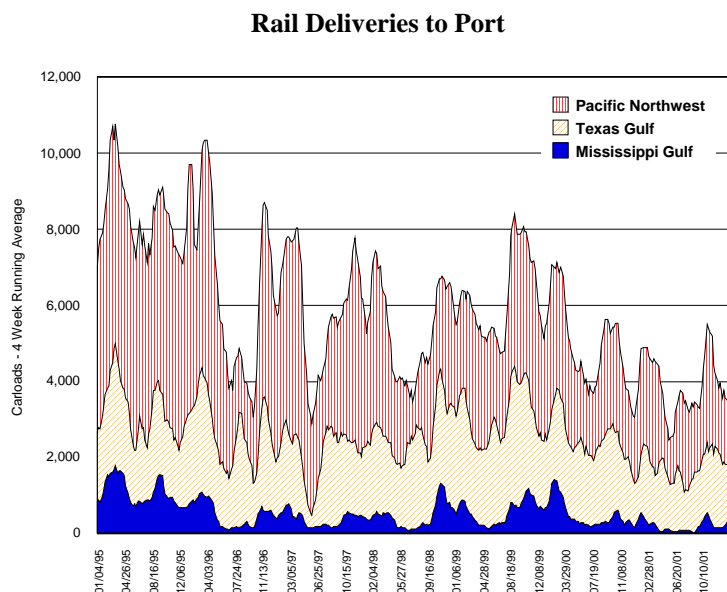
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Rail Deliveries to Port**Carloads**

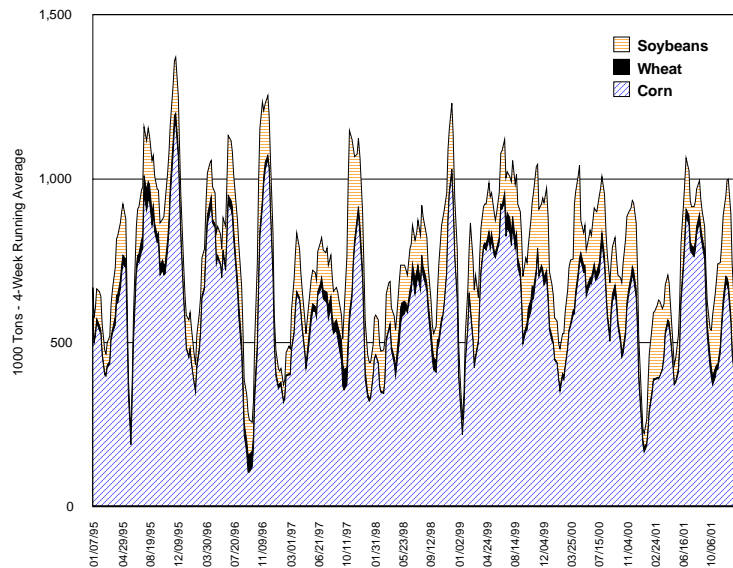
	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
01/02/02	250*	1,263	1,137	717
01/09/02	195*	2,289	2,029	966
01/16/02	402*	1,787	1,472	1,307
01/23/02	382*	1,578	2,110	965
01/30/02	673*	2,764	2,495	873
02/06/02	287*	742*	3,435	663
YTD 2002	1,939*	9,160*	11,541	4,774
YTD 2001	2,035	5,985	12,228	3,761
Total 2000	25,675	105,308	129,464	14,816
Total 1999	30,038	132,069	161,492	14,446

Source: Transportation & Marketing/AMS/USDA



(*) Incomplete Data

(**) Revised Data

Barge Movements - Locks 27**Barge Grain Movements**

for week ending 2/2/02

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	0	0	0	0
Winfield, MO (L25)	0	0	0	0
Alton, IL (L26)	290	0	162	452
Granite City, IL (L27)	315	2	154	470
Illinois River (L8)	479	0	22	501
Ohio (L52)	106	2	114	277
Arkansas (L1)	0	21	6	27
2002 YTD	2,582	166	1,294	4,252
2001 YTD	1,982	199	934	3,362
Total 2001	31,878	2,679	10,616	47,091
Total 2000	33,482	2,518	10,327	48,247

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers; L15 & L25 closed for winter.

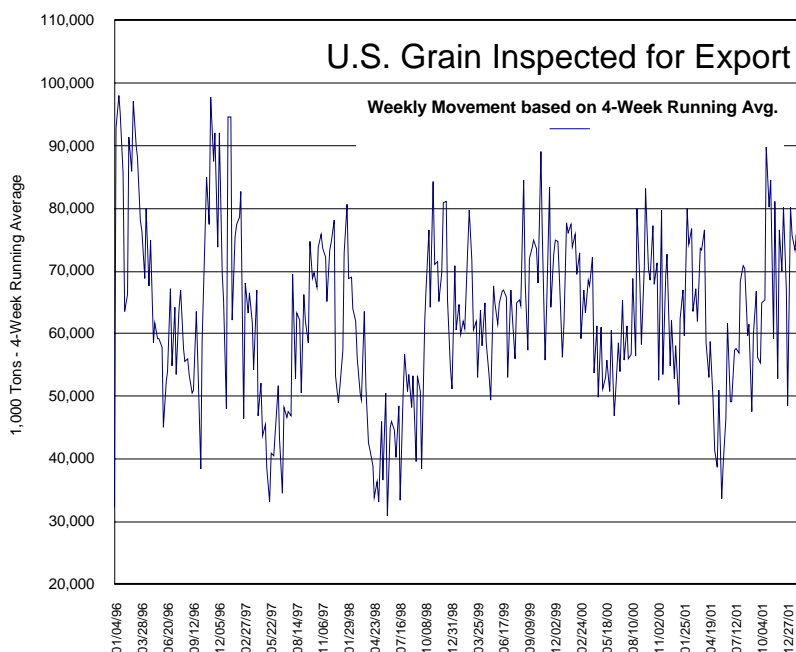
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	Wheat <i>SWW</i>	<i>DUR</i>	<i>All</i>	Corn	Soybean	Total
<u>Unshipped Exports-Crop Year</u>									
01/31/02	1,399	829	890	525	207	3,850	8,186	6,849	18,885
This Week Year Ago	1,363	543	966	960	128	3,960	7,569	6,703	18,232
<u>Cumulative Exports-Crop Year</u>									
00/01 YTD	5,764	3,794	3,827	2,222	812	16,418	17,695	17,182	51,295
99/00 YTD	6,428	3,092	3,771	3,390	839	17,521	18,913	17,713	54,147
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

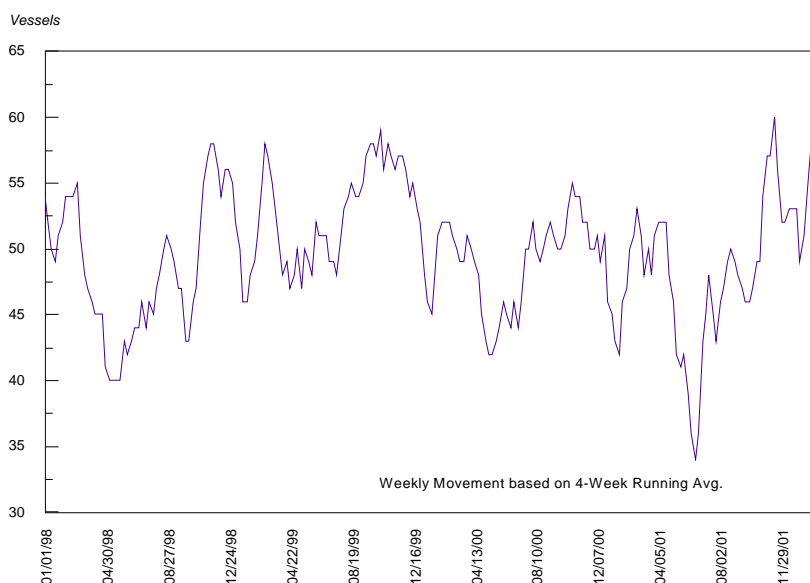
	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
02/07/02	184	49	244	110	584	467	79	2	61
2001 YTD	1,006	454	335	437	3,150	3,504	523	2	464
2000 YTD	995	544	296	531	3,082	2,262	538	22	113
% of Last Year	10%	8%	20%	6%	9%	20%	8%	0%	46%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service YTD-Year-to-Date

**Select Canadian Ports - Export Inspections**
1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 02/07/02			
Vancouver	3,642	222	323
Prince Rupert	582	0	0
Prairie Direct	818	263	147
Thunder Bay	294	191	45
St. Lawrence	1,543	1,019	0
2001 YTD Exports	6,879	1,695	515
2000 YTD Exports	6,733	1,765	917
% of Last Year	102%	96%	56%

Source: Canadian Grains Commission, Crop year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

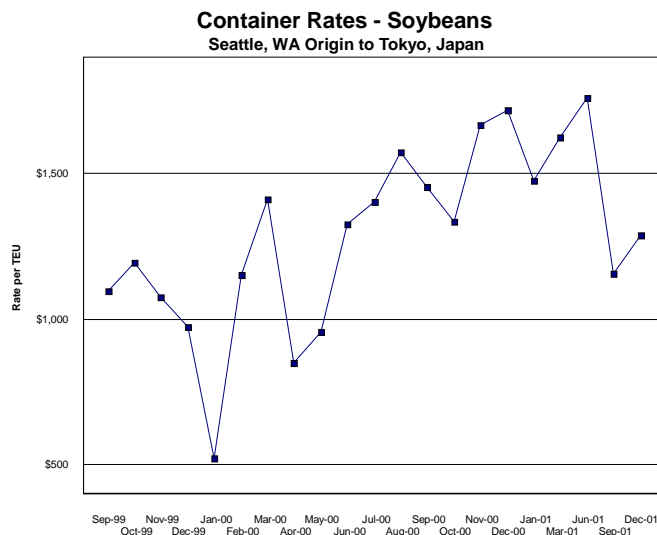
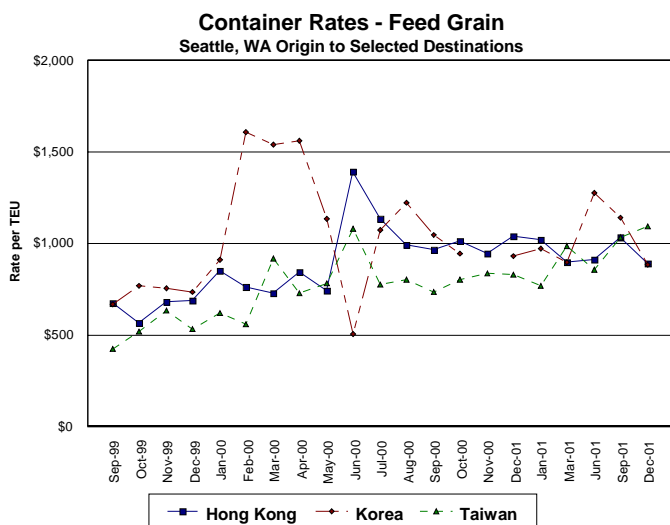
Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
01/31/02	39	54	80	12			6	6	6
02/07/02	48	60	67	15			6	8	2
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

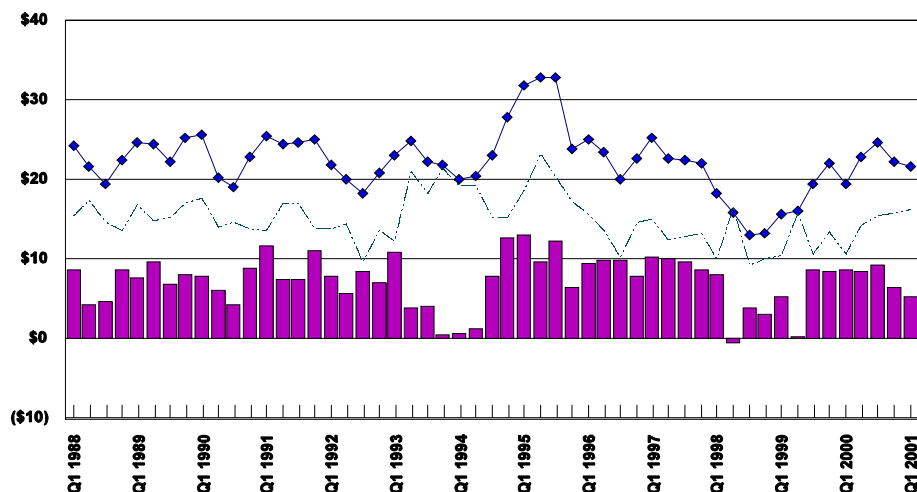
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



Source: Transportation & Marketing/AMS/USDA

◆ Rate - Gulf to Japan
 --- Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 4 th Qtr	2000 4 th Qtr	% Change		2001 4 th Qtr	2000 4 th Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$16.25	\$22.38	-27%	Japan	\$9.64	\$15.87	-39%
Mexico		\$13.39	-	Red Sea/ Arabian Sea		\$26.70	-
Venezuela		\$13.29	-	Argentina to			
N. Europe	\$11.73	\$14.96	-22%	Med. Sea	\$17.47		-
N. Africa	\$16.98	\$22.26	-24%	N. Europe	\$16.22	\$18.97	-14%
Med. Sea	\$10.58	\$15.19	-30%	Japan	\$26.33		-

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 2/9/02

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	Vera Cruz	Heavy Grain	Feb 6/9	30,000	\$7.00
Westwego	Rotterdam	Corn Meals Rice	Feb 6/10	32,200	\$16.50
Gulf	Amsterdam	Heavy Grain	Jan 19/23	55,000	\$9.25
Houston	Italy	Wheat	Feb 20/25	10,000	\$22.00
Gulf	Egypt	Heavy Grain	Feb 10/20	55,000	\$9.40
Gulf	Japan	Heavy Grain	Feb 22/Mar 3	54,000	\$16.80
N. Pacific	Taiwan	Heavy Grain	Feb 15/25	56,000	\$10.75
Brazil	Portugal	Grains	Feb 10/15	20,000	\$14.50

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option